

Insurance Company Annual Return for SBT and Retaliatory Tax

Issued under P.A. 228 of 1975, as amended. Filing is mandatory.

1. Company Name		2. Federal Employer ID NO. or TR No.	
Address (No., Street)		3. Insurer Type (Check one)	
City, State, ZIP		<input type="checkbox"/> Foreign <input type="checkbox"/> Domestic	
Contact Person	Contact Person Phone No.	4. State of Incorporation (2 letters)	

ADJUSTED RECEIPTS

5. Enter the amount of your total company adjusted receipts for calendar year 2001 **5** | 00

APPORTIONMENT

6. Enter your Michigan gross direct premiums **6** | 00
7. Enter your total gross direct premiums everywhere **7** | 00
8. Michigan apportionment percentage. Divide line 6 by line 7 8 %
9. Apportioned Tax Base. Multiply line 5 by line 8 9 | 00

DISABILITY INSURANCE EXEMPTION

10. Enter your disability insurance premiums written in Michigan, not including credit insurance or disability income, OR \$130,000,000, whichever is smaller **10** | 00
11. Enter total gross direct premiums from all lines of insurance carrier services everywhere 11 | 00
- \$180,000,000 | 00
12. Subtract \$180,000,000. If less than zero, enter zero ... 12 | 00
13. Exemption reduction. Multiply line 12 by 2 13 | 00
14. Allowable exemption. Subtract line 13 from line 10. This amount can't be less than zero. 14 | 00
15. ADJUSTED TAX BASE. Subtract line 14 from line 9 15 | 00
16. TAX BEFORE CREDITS. Multiply line 15 by 1.13% (.0113) **16** | 00

CREDITS

17. Enter amounts you paid from 1/1/2000 to 12/31/2000 to each of the following:
a. Michigan Workers' Compensation Placement Facility **17a** | 00
b. Michigan Basic Property Insurance Association **b** | 00
c. Michigan Automobile Insurance Placement Facility **c** | 00
d. Property and Casualty Guaranty Association **d** | 00
e. Life and Health Guaranty Association **e** | 00
18. Add lines 17a through 17e 18 | 00
19. This year's credit is 100%. Carry the amount from line 18 here 19 | 00
20. Michigan Regulatory Fees Credit x 50% **20** | 00
21. Add lines 19 and 20 21 | 00
22. Subtract line 21 from line 16. If less than zero, enter zero 22 | 00
23a. Contributions to **COMMUNITY FOUNDATIONS** **23a** | 00
b. **CREDIT**. Enter the smaller of 50% of line 23a, \$5,000 or 5% of your tax on line 16 23b | 00
c. Enter the **code** for the foundation you contributed to here. See inst. **23c**
24. Subtract line 23b from line 22 24 | 00
25a. Contributions to **HOMELESS SHELTER/FOOD BANKS** **25a** | 00
b. **CREDIT**. Enter the smaller of 50% of line 25a, \$5,000 or 5% of your tax on line 16 25b | 00
26. Subtract line 25b from line 24 26 | 00
27a. Contributions to **COLLEGES AND PUBLIC LIBRARIES** **27a** | 00
b. **CREDIT**. Enter the smaller of 50% of line 27a, \$5,000 or 5% of your tax on line 26 27b | 00
28. Subtract line 27b from line 26 28 | 00
29. Nonrefundable credits from C-8000MC, line 67. See instructions. 29 | 00
30. **TAX AFTER CREDITS**. Subtract line 29 from line 28 **30** | 00

Attach check here

Domestic insurers go to page 2, line 47. Foreign and alien insurers go to page 2, line 31.

PAYMENT	
61 Write the amount you entered on page 2, line 57 PAY THIS AMOUNT 61 00	

31. Enter the amount from line 30 31 | 00

TAXES

32. State of incorporation tax

33. Michigan single business tax from line 31

FEES AND ASSESSMENTS

34. Annual statement filing fee

35. Certificate of Authority renewal fee

36. Certificate of Compliance

37. Certificate of Deposit

38. Certificate of Valuation

39. Enter the **total** of other fees paid in your state of incorporation. Attach a detailed schedule of fees

40. Fire Marshall Tax

41. Second Injury Fund

42. Silicosis & Dust Disease Fund

43. Safety Education and Training Fund

44. Enter the total of all other assessments. Attach a detailed schedule of assessments

TOTAL

45. Total taxes and assessments. Add lines 32 - 44.

46. Retaliatory amount. Subtract line 45 col. B from col. A; not less than 0 ▶ 46 | 00

47. Amount due. Add lines 31 and 46. Domestic insurers enter the amount from line 30 ▶ 47 | 00

	Column A State of Incorporation	Column B Michigan
32.		
33.		
34.		25.00
35.		
36.		
37.		
38.		
39.		
40.		
41.		
42.		
43.		
44.		
45.	▶	▶

PAYMENTS, REFUNDABLE CREDITS AND TAX DUE

48. Credit forward from 12/31/2000 SBT return, line 60 48 | 00

49. Estimated tax payments 49 | 00

50. Tax paid with request for extension 50 | 00

51. Refundable Credits from C-8000MC, line 10 51 | 00

52. Total Payments. Add lines 48 through 51 ▶ 52 | 00

53. *Complete this line only if you are amending a return.*

a. Add to line 52 any payment of tax made with your original return

OR

b. Subtract from line 52 any refund of tax you received with your original return

c. Net payments ▶ 53 | 00

Amended filers use line 53 instead of line 52 for all references below.

54. TAX DUE. Subtract line 52 from line 47. If less than zero, leave blank ▶ 54 | 00

55. Underpaid estimate penalty and interest. See instructions. 55 | 00

56. Annual return penalty at ____ % = _____.00 and interest at ____ % = _____.00 56 | 00

57. **PAYMENT DUE.** Add lines 54 - 56. Enter this amount here and on page 1, line 61 57 | 00**OVERPAYMENT - REFUND OR CREDIT FORWARD**

58. OVERPAYMENT. If line 52 is more than line 47, subtract line 47 from line 52 58 | 00

59. How much of the amount on line 58 do you want **refunded** to you? ▶ 59 | 0060. How much of the amount on line 58 do you want **credited forward**? ▶ 60 | 00**This return must be filed by March 1, 2002.**

SIGNATURE AND PREPARER AUTHORIZATION		
TAXPAYER'S DECLARATION I declare, under penalty of perjury, that this return is true and correct to the best of my knowledge. I authorize Treasury to discuss my return with my preparer. <input type="checkbox"/> Yes <input type="checkbox"/> No		PREPARER'S DECLARATION I declare, under penalty of perjury, that this return is based on all information of which I have any knowledge.
Taxpayer's Signature _____ Date _____		Preparer's Signature _____ Date _____
Title _____		Business Address and Phone _____

INSTRUCTIONS for 2001 INSURANCE COMPANY ANNUAL RETURN FOR SBT AND RETALIATORY TAX

GENERAL INFORMATION

NOTE: Public Act 115 of 1999 reduces the SBT tax rate by 0.1 percent per year beginning January 1, 1999. The rate reduction will go into effect each year if the State's Budget Stabilization Fund balance for the previous year exceeds \$250 million. The reduction will be reflected in the effective tax rate used on Form 1366, line 16. The effective tax rate for the 2001 tax year is 1.13%.

When is this return due?

March 1, 2002.

Who must file this return?

All insurance companies must file this return.

If your apportioned or allocated gross receipts are less than \$250,000, then you do not have to complete the SBT portion of this return. Foreign or alien insurers whose gross receipts are less than \$250,000 must still complete the retaliatory section of the return on lines 32-46.

All insurers, domestic and foreign, must submit copies of *Schedule T* and the *Michigan Business Page* when filing this return.

Who must sign the return?

All returns must be signed and dated by the taxpayer or the taxpayer's authorized agent. If someone else has prepared the return, the preparer must also sign it and give his or her business address and telephone number in the space provided.

Can I round figures?

Report all amounts in whole dollars. Round amounts of 50 cents or more up. Carry all percentages to six decimal places. Do not round percentages. For example, 24.154256 percent becomes 24.1542 (.241542).

Do I have to file estimated tax returns?

You must pay estimates in any year that you expect your annual tax liability to be more than \$600. Estimates must equal at least 85 percent of your current year tax liability, or equal your tax liability for the previous year if your tax was less than \$20,000, provided these payments were made in 4 timely equal payments. If they were not, you will be charged penalty and interest. Quarterly estimate payments are due on April 30, July 31, Oct. 31 and Jan. 31.

How do I compute penalty and interest?

Returns filed late or without payment are subject to 5 percent penalty per month to a maximum of 50 percent of the tax. Interest is charged at 1 percent above the prime rate from the due date of the return. This applies to annual and estimated returns.

Need Forms?

If you need additional forms, you may order them by calling 1-800-FORM-2-ME (367-6263). Forms are also available on the Michigan Department of Treasury Web site at: www.treasury.state.mi.us

Who do I call if I have a question?

If you have general questions, please call the Customer Contact Division, Single Business Tax Unit, at (517) 373-8030.

SBT INSTRUCTIONS

Lines not listed are explained on the form.

Line 2: Enter your federal employer identification number (FEIN) or your Treasury assigned (TR) number. If you don't have an account number, one will be assigned to you. Please make sure this number appears on all documents sent to Treasury.

Line 3: Check the box to indicate your company's status. Alien insurance companies check "foreign," unless your port of entry is Michigan, then you are considered "domestic" for the filing of this return.

Adjusted Receipts

Line 5: Enter the amount of total company adjusted receipts for the period.

Gross Receipts Checklist

1. Rental and royalty receipts, unless received from an affiliated insurance company or an insurance agent for your company.
2. Gross direct premiums received.
3. Receipts from administrative services only (ASO) contracts with a person who is not an affiliated insurance company or an affiliated nonprofit corporation.
4. Receipts from a business activity other than the business of insurance.
5. Charges attributable to premiums paid on a deferred or installment basis.
6. Servicing carrier fees received from the Michigan auto insurance placement facility.

Excluded Receipts

1. Receipts from interest, dividends, or proceeds from the sale of assets.
2. Receipts on the sale of annuities.
3. Receipts on all reinsurance transactions.
4. Any income which is a flow through from a partnership or other entity whose business activities would be taxable under the Single Business Tax Act.

Apportionment

Line 6: Enter your Michigan gross direct premiums received excluding annuity considerations and reinsurance assumed.

Line 7: Enter your total gross direct premiums received everywhere excluding annuity considerations and reinsurance assumed.

Disability Insurance Exemption

Line 12: You must subtract \$180,000,000 from the amount you entered on line 11. If the result is less than zero, enter zero on line 12.

Credits

Line 17: Enter the amounts you paid to the listed facilities or associations from 1/1/2000 to 12/31/2000, the year immediately preceding the 2001 tax year, including special assessments. Net amounts paid and refunds received during the 2000 tax year for the same facility. If refunds received exceed the amount paid in the year for the same facility, enter zero.

Line 19: This year's credit percentage is 100%. Carry the amount on line 18 here.

Line 20: Enter the amount of Michigan regulatory fees you paid in 2001 (under MCL 500.224). Multiply this amount by 50 percent and enter the result on line 20.

Line 22: Subtract line 21 from line 16. If line 21 is greater than line 16, enter zero. The credit on line 21 may not be carried forward to another taxable year.

Line 23, Community Foundation Credit: To be eligible for this credit, you must have donated to a Michigan foundation that has been certified by the Michigan Department of Treasury. For a complete list of certified foundations, see page 15. Enter the code for the foundation you contributed to. If you do not enter a proper code, you will not receive the credit. The credit is limited to the smallest of 50 percent of the contribution, 5 percent of tax on line 16, or \$5,000.

Line 25, Homeless Shelter/Food Bank Credit: A partial credit is allowed when you make a cash donation to a qualifying shelter for homeless persons, food kitchen, food bank or other entity whose primary purpose is to provide overnight accommodations, food or meals to indigent persons. The credit is limited to the smallest of 50 percent of the contribution, 5 percent of tax on line 16 or \$5,000. For more information, request *Revenue Administrative Bulletin 1992-10*.

Line 27, Public Contribution Credit (Public Colleges and Libraries): A partial credit is allowed when you donate during the taxable year to institutions of higher learning located in Michigan, Michigan public libraries, the Michigan colleges foundation, public broadcasting stations located in Michigan and any nonprofit corporation, fund, foundation, trust or association organized and operated exclusively for the benefit of institutions of higher learning located in Michigan. The credit is limited to the smallest of 50 percent of the contribution, 5 percent of tax on line 26, or \$5,000.

Line 29, Nonrefundable Credits: If you are claiming an Enterprise Zone Credit, a Michigan Economic Growth Authority (MEGA) Business Activity Credit, a Renaissance Zone Credit, a Michigan Historic Preservation Tax Credit or a Brownfield Redevelopment Credit, complete SBT Miscellaneous Credits (Form C-8000MC) **using the amount from line 28 of this form on C-8000MC, line 13. Enter the amount from Form C-8000MC, line 67, here.** Attach Form C-8000MC to your return.

Note: The C-8000MC, SBT Miscellaneous Credits, is historically filed as a schedule with the C-8000, SBT Annual Return. The line references on the C-8000MC **will not apply to this return.**

RETALIATORY INSTRUCTIONS

(For foreign and alien insurers only; domestic insurers skip lines 31-46)

You must include with your return a copy of the State of Incorporation tax form on which you reported Michigan premiums.

Do not mail this return with your Michigan annual financial statement, and do not send your annual statement filing fee with this return. You will be billed separately for the annual statement filing fee from the Michigan Insurance Bureau.

You must enter all items that are required of a Michigan insurance company. In some instances, there will be taxes and obligations imposed in other states for which Michigan has no corresponding requirement. Because of the manner of this calculation, you may have difficulty completing these items on a Michigan basis. Nonetheless, difficulty of calculation does not excuse a foreign insurer from paying to Michigan the same type of obligation a similar Michigan insurer is required to pay in the insurer's state of domicile.

Do not include the following Michigan assessments, or comparable assessments in your state of incorporation, in the retaliatory calculation:

The Michigan Workers' Compensation Placement Facility.

The Michigan Basic Property Insurance Association.

The Catastrophic Claims Association.

The Michigan Auto Insurance Placement Facility.

The Michigan Life and Health Insurance Guaranty Association.

The Property and Casualty Guaranty Association.

California insurers must include Bureau of Fraudulent Claims assessments. New York domiciled companies **must file** and pay a tentative retaliatory tax to Michigan by the annual due date, March 1, 2002. An **amended** return must be filed 30 days after the actual CT33 return is filed with New York. Do not submit a photocopy of the actual CT33 return. We cannot process them and will return them to you. Transfer the CT33 numbers onto your amended annual return, Form 1366.

Instructions for lines 32 - 47.

In the Michigan column, enter actual payments made to Michigan. In the State of Incorporation column, enter the payments that would have been payable by a similar Michigan company doing business in your company's home state.

Line 32: Enter the tax a Michigan company would pay in your state of incorporation for your company's Michigan business. Attach a copy of your state's tax form on which you reported Michigan premiums.

Lines 40 - 44: Attach proof of payment for any items listed in the Michigan column. Itemize any other assessments not listed. Attach a separate list if necessary.

Line 46: Subtract line 45, column B from line 45, column A. This amount can't be less than zero. If line 45, column B is a negative number, add column A to the negative number in column B. This will increase the retaliatory amount reported.

Payments

Line 49: Enter the total tax paid with your quarterly tax returns.

Line 50: Enter any tentative payment of estimated tax made with a request for more time to file the return.

Line 51, Refundable Credits. If you are claiming a Michigan Economic Growth Authority (MEGA) Employment Tax Credit, a Workers Disability Supplemental Benefit (WDSB) Credit, or an Apprenticeship Credit, see SBT Miscellaneous Credits (Form C-8000MC). **Enter the amount from the C-8000MC, line 10, here.** Attach C-8000MC to your return.

Line 55 and 56: Penalty and Interest: See "How do I compute penalty and interest" under General Information.

Mailing instructions

Make your payment payable to "State of Michigan." Write your FEIN on your remittance and mail your return with payment, if applicable, to:

**Michigan Department of Treasury
Dept. 77229
Detroit, MI 48277-0229**

If you owe no tax or expect a refund, mail your return to:

**Michigan Department of Treasury
P.O. Box 30059
Lansing, MI 48909**